

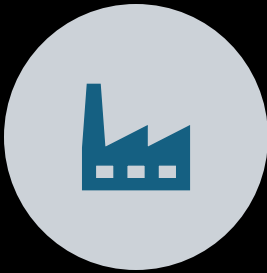
# NIKE Investor Pitch



Just Do It.

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AND INDUSTRY MARKET



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LULULEMON



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CONCLUSION: WHY  
INVEST IN NIKE?

# Nike Business & Industry Overview

- ➔ **Nike Inc.** – World's leading sportswear brand (Nike, Jordan, Converse).
- ➔ **Industry Size:** \$400B global market, 6.5% CAGR growth.
- ➔ **Growth Drivers:**
  - **Health & Fitness Boom** – Rising fitness awareness.
  - **Athleisure Trend** – Sportswear merging with everyday fashion.
  - **E-Commerce Growth** – Nike Direct & SNKRS app fueling digital sales.
  - **Sustainability Focus** – Move to Zero campaign, eco-friendly products.



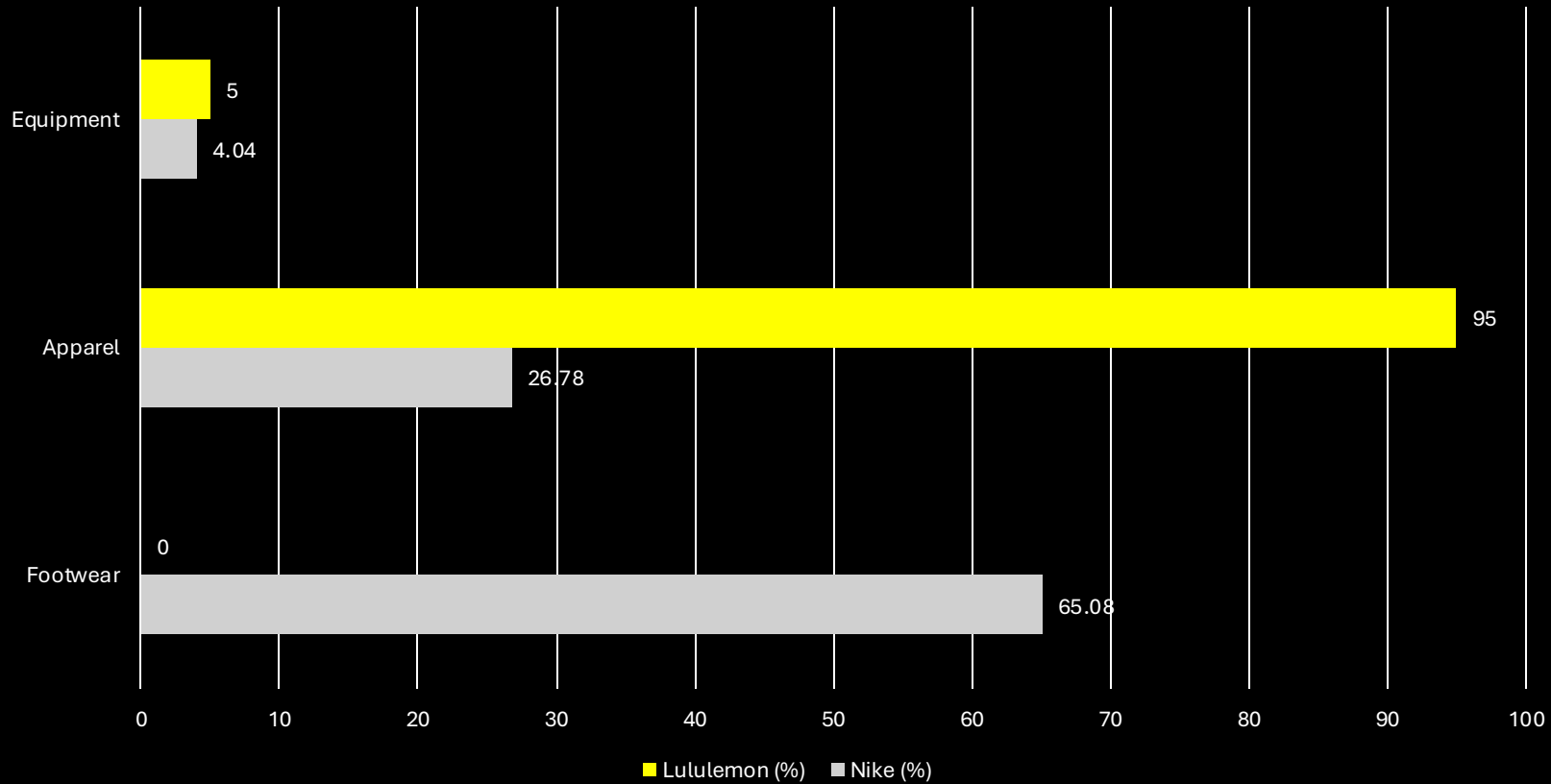
# Lululemon Athletica

- ➔ **Market Position:** High-end yoga & fitness apparel; lifestyle brand appeal.
- ➔ **Revenue Model:** Premium activewear with a community-driven strategy.
- ➔ **Strengths:**
  - Strong brand loyalty, especially among women.
  - High-margin direct sales via stores & e-commerce.
  - Expanding into men's apparel & footwear.
- ➔ **Challenges:**
  - Smaller market share & limited global reach vs. Nike.
  - Reliance on North America; global expansion is key.
  - Competition from Nike & Adidas in athleisure.



# Revenue Breakdown

Nike vs. Lululemon Revenue Breakdown (2024)



# Nike's Competitive Advantage

- ➔ **Innovation & R&D:** Vaporfly Tech, self-lacing sneakers, AI-driven design.
- ➔ **Brand Power:** “Just Do It” & Swoosh logo globally recognized.
- ➔ **Athlete Endorsements:** LeBron James, Serena Williams, Cristiano Ronaldo.



# Growth Potential

- ➔ **Emerging Markets**
- ➔ **Direct-to-Consumer (DTC) Growth**
- ➔ **Sustainable Innovation**
- ➔ **Women's and Youth Market**
- ➔ **Smart Wearables & Digital Integration**



# Catalyst for Investment Opportunity

- ➔ **Financial Strength:** 5-year CAGR of 7.3% in revenue and a solid balance sheet ensuring stability.
- ➔ **Valuation & Market Positioning:** Competitive P/E ratio and significant presence in global markets.
- ➔ **Product Innovation:** Continuous development of advanced footwear and apparel driving demand.
- ➔ **Sustainability Commitment:** Growing focus on ESG initiatives, attracting long-term investors.
- ➔ **Resilience to Market Disruptions:** Nike's ability to navigate economic downturns and supply chain challenges.





# Revenue Growth YoY

## Nike Revenue Growth



## Lululemon Revenue Growth



# Profitability 2024 -2022 Comparison

Nike			Metrics	Lululemon		
2024	2023	2022		2024	2023	2022
44.56%	43.52%	45.98%	Gross Margin	58.31%	55.93%	57.68%
13.04%	12.11%	14.24%	Operating Margin	22.17%	16.38%	21.31%
\$6,617M	\$4,872M	\$4,430M	Free Cash Flow Margin	\$1,682M	\$1,305M	\$1,198M
39.50%	36.21%	39.55%	Return on Equity (ROE)	36.61%	34.91%	38.21%
14.96%	13.51%	15%	Return on Investment (ROI)	21.86%	15.23%	19.73%



# Liquidity Ratios

Nike		Metrics	Lululemon	
2024	2023		2024	2023
2.40	2.72	Current Ratio	2.49	2.12
1.69	1.81	Quick Ratio	1.68	1.15
0.93	0.80	Cash Ratio	1.38	0.77
0.70	0.63	Operating Cash Ratio	1.41	0.65



Both companies have strong liquidity, with current and quick ratios showing they can cover short-term liabilities.



Lululemon's higher cash ratio means more cash on hand, but Nike still has strong liquidity.



Lululemon leads in operating cash ratio, but Nike's steady improvement signals growing efficiency.

# Leverage Ratios

Nike		Metrics	Lululemon	
2024	2023		2024	2023
0.62	0.63	Debt Ratio	0.40	0.44
1.64	1.68	Debt to Equity Ratio	0.68	0.78
0.83	0.65	Operating Cash Flow to Total Debt Ratio	0.44	0.90



Nike's operating cash flow to debt ratio improved from 0.65 to 0.83, while Lululemon's declined.



Nike's debt-to-equity ratio (1.64) is higher than Lululemon's (0.68), but cash flow supports debt repayment.



Nike's debt ratio is slightly higher than Lululemon's, but still manageable, showing strong growth potential.

# Industry-Specific Metrics

Nike			Metrics	Lululemon		
2024	2023	2022		2024	2023	2022
3.57	3.43	3.3	Inventory Turnover Ratio	2.89	3.00	3.28
8.34%	7.93%	8.24%	Marketing Spent From Revenue (%)	4.47%	4.05%	4.75%



Nike consistently outperforms Lululemon in inventory turnover, demonstrating better efficiency in managing stock and driving sales.



Nike spends a higher percentage of revenue on marketing, indicating a strong investment in brand visibility and consumer engagement.



# Industry-Specific Metrics Cont.

Nike – Revenue Breakdown by Product Category (%)			
Year	Footwear	Apparel	Equipment
2024	65.08%	26.78%	4.04%
2023	64.70%	27.03%	3.37%
2022	62.39%	29.05%	3.48%



NIKE OFFERS A DIVERSE PRODUCT RANGE INCLUDING FOOTWEAR, APPAREL, WHILE LULULEMON IS MORE NARROWLY FOCUSED ON YOGA AND FITNESS, WITH LIMITED EXPANSION INTO FOOTWEAR AND OTHER CATEGORIES.



NIKE'S FOOTWEAR SEGMENT CONSISTENTLY CONTRIBUTES OVER 60% OF TOTAL REVENUE, A MAJOR DRIVER OF GROWTH, WHILE LULULEMON DOES NOT HAVE A COMPARABLE REVENUE BREAKDOWN.



UNLIKE NIKE'S CLEAR REVENUE BREAKDOWN BY PRODUCT CATEGORY, LULULEMON PROVIDES LIMITED DISCLOSURE.



THIS LACK OF TRANSPARENCY CAN LEAVE INVESTORS WITHOUT A CLEAR UNDERSTANDING OF LULULEMON'S REVENUE COMPOSITION, INTRODUCING AN ELEMENT OF RISK BY MAKING IT HARDER TO ASSESS THE COMPANY'S FINANCIAL HEALTH AND POTENTIAL FOR GROWTH.



# Market Evaluations

Nike	Metrics for 2024	Lululemon
\$142.9 Billion	Market Capitalization	\$56.2 Billion
\$3.73	Earnings Per Share (EPS)	\$12.20
25.5	P/E Ratio	38.1
1.20%	Dividend Yield	Not Available
-25.96%	Stock Price % Change (2020-2024)	63.83%



NIKE’S LARGER MARKET CAP INDICATES GREATER SIZE AND STABILITY.



WHILE LULULEMON HAS HIGHER EPS, NIKE’S OVERALL MARKET VALUE OFFERS MORE GROWTH POTENTIAL.



NIKE OFFERS BETTER VALUE WITH A LOWER P/E RATIO, INDICATING A MORE ATTRACTIVE PRICE FOR INVESTORS.



LULULEMON STATED IN THEIR 2024 10-K, “WE DO NOT ANTICIPATE PAYING ANY CASH DIVIDENDS ON OUR COMMON STOCK IN THE FORESEEABLE FUTURE.”



LULULEMON HAS OUTPERFORMED NIKE IN STOCK PRICE GROWTH, BUT NIKE’S MARKET SIZE AND POTENTIAL FOR RECOVERY MAKE IT A SOLID INVESTMENT.



# Why Invest in Nike?

- Nike is a global leader in the sportswear and athletic market, with a diversified revenue stream across footwear, apparel, and equipment, allowing it to maintain stability and growth.
- Lululemon focuses primarily on premium activewear, which makes it more vulnerable to shifts in consumer trends, seasonal demand, and economic downturns compared to Nike's broader product portfolio.
- Nike has been in business since 1964, giving it decades of experience and brand recognition, whereas Lululemon, founded in 2000, is a younger company with a more limited history.
- Nike's global presence and high-profile sponsorship deals with top athletes and sports teams (e.g., the NBA, NFL, and Olympic athletes) provide a significant competitive advantage and brand recognition.
- As of March 4, 2025, Nike's stock is significantly more affordable than Lululemon's, with Nike's current stock at \$77.32, while Lululemon's stock is priced much higher at \$345.29.





# Thank You



Just Do It.

# Appendix



Just Do It.

# Why Invest in Apparel Industry?

Despite economic uncertainties, the **apparel industry** presents several **compelling investment opportunities** driven by evolving consumer preferences, technological advancements, and global market dynamics. Here's why investing in the apparel sector today could be a smart move.

- Robust Post-Pandemic Recovery and Growth Prospects
  - Consumer demand has rebounded as economies reopen, fueling increased spending on apparel.
    - Investors can benefit from a **recovering consumer sector** and a market positioned for sustainable growth.
- Expansion of Athleisure and Sustainable Fashion Segments
  - **Athleisure demand** remains strong, blending comfort with style, appealing to both work-from-home and active lifestyles.



# Sales Percentage Change YoY

## Nike Revenue Growth



## Lululemon Revenue Growth



# Liquidity Ratios

- The consistent gap between the Current Ratio (3.60) and Quick Ratio (1.51) shows that a significant portion of current assets is tied up in inventory and prepaids.
- Nike remains financially stable with sufficient liquidity to handle short-term obligations and invest in growth.

Nike				
(in millions)	2024	2023	2022	2021
<b>Total Current Assets</b>	\$ 38,110	\$ 37,531	\$ 40,321	\$ 37,740
<b>Total Current Liabilities</b>	\$10,593	\$ 9,256	\$ 10,730	\$ 9,674
<b>Current Ratio</b>	3.60	4.05	3.76	3.90

Nike				
(in millions)	2024	2023	2022	2021
<b>Current Assets - Inventory - Prepaid</b>	\$ 16,009	\$ 14,806	\$ 17,664	\$ 17,939
<b>Total Current Liabilities</b>	\$10,593	\$ 9,256	\$ 10,730	\$ 9,674
<b>Quick Ratio</b>	1.51	1.60	1.65	1.85



# Leverage Ratios

Nike				
(in millions)	2024	2023	2022	2021
<b>Total Debt</b>	\$11,475	\$11,719	\$12,207	\$12,346
<b>Free Cash Flow</b>	\$ 6,617	\$ 4,872	\$ 4,430	\$ 5,962
<b>Debt to FCF Ratio</b>	1.73	2.41	2.76	2.07

Nike				
(in millions)	2024	2023	2022	2021
<b>Total Liabilities</b>	\$23,680	\$23,527	\$25,040	\$24,973
<b>Total Shareholder's Equity</b>	\$14,430	\$14,004	\$15,281	\$12,767
<b>Debt to Equity Ratio</b>	1.64	1.68	1.64	1.96



# Nike Leverage Ratios

- Industry Average as of 2024: 8.47%

Nike				
(in millions)	2024	2023	2022	2021
Net Earnings	\$ 5,700	\$ 5,070	\$ 6,046	\$ 5,727
Total Stockholder's Equity	\$ 14,430	\$ 14,004	\$ 15,281	\$ 12,767
Return on Equity	39.50%	36.20%	39.57%	44.86%

Nike				
(in millions)	2024	2023	2022	2021
Net Earnings	\$ 5,700	\$ 5,070	\$ 6,046	\$ 5,727
Total Assets	\$ 38,110	\$ 37,531	\$ 40,321	\$ 37,740
Return on Investment	14.96%	13.51%	14.99%	15.17%



# Nike Common Size Income Statement

CONSOLIDATED STATEMENTS OF INCOME - USD (\$) shares in Millions, \$ in Millions	May 31, 2024	CommonSize(%)	May 31, 2023	CommonSize(%)	May 31, 2022	CommonSize(%)	May 31, 2021	CommonSize(%)	May 31, 2020
<b>Income Statement [Abstract]</b>									
Revenues	\$ 51,362	100.00%	\$ 51,217	100.00%	\$ 46,710	100.00%	\$ 44,538	100.00%	\$ 37,403
Cost of sales	28,475	55.44%	28,925	56.48%	25,231	54.02%	24,576	55.18%	21,162
Gross profit	22,887	44.56%	22,292	43.52%	21,479	45.98%	19,962	44.82%	16,241
Demand creation expense	4,285	8.34%	4,060	7.93%	3,850	8.24%	3,114	6.99%	3,592
Operating overhead expense	12,291	23.93%	12,317	24.05%	10,954	23.45%	9,911	22.25%	9,534
Total selling and administrative expense	16,576	32.27%	16,377	31.98%	14,804	31.69%	13,025	29.24%	13,126
Interest expense (income), net	(161)	-0.31%	(6)	-0.01%	205	0.44%	262	0.59%	89
Other (income) expense, net	(228)	-0.44%	(280)	-0.55%	(181)	-0.39%	14	0.03%	139
Income before income taxes	6,700	13.04%	6,201	12.11%	6,651	14.24%	6,661	14.96%	2,887
Income tax expense	1,000	1.95%	1,131	2.21%	605	1.30%	934	2.10%	348
NET INCOME	\$ 5,700	11.10%	\$ 5,070	9.90%	\$ 6,046	12.94%	\$ 5,727	12.86%	\$ 2,539
<b>Earnings per common share:</b>									
Basic (in dollars per share)	\$ 3.76	0.01%	\$ 3.27	0.01%	\$ 3.83	0.01%	\$ 3.64	0.01%	\$ 1.63
Diluted (in dollars per share)	\$ 3.73	0.01%	\$ 3.23	0.01%	\$ 3.75	0.01%	\$ 3.56	0.01%	\$ 1.60
<b>Weighted average common shares outstanding:</b>									
Basic (in shares)	1,517.6	2.95%	1,551.6	3.03%	1,578.8	3.38%	1,573	3.53%	1,558.8
Diluted (in shares)	1,529.7	2.98%	1,569.8	3.06%	1,610.8	3.45%	1,609.4	3.61%	1,591.6





# Nike Common Size Balance Sheet

CONSOLIDATED BALANCE SHEETS - USD (\$) \$ in Millions	May 31, 2024		May 31, 2023		May 31, 2022		May 31, 2021
	Common Size %		Common Size %		Common Size %		
<b>Current assets:</b>							
Cash and equivalents	\$ 9,860	25.87%	\$ 7,441	19.83%	\$ 8,574	21.26%	\$ 9,889
Short-term investments	1,722	4.52%	3,234	8.62%	4,423	10.97%	3,587
Accounts receivable, net	4,427	11.62%	4,131	11.01%	4,667	11.57%	4,463
Inventories	7,519	19.73%	8,454	22.53%	8,420	20.88%	6,854
Prepaid expenses and other current assets	1,854	4.86%	1,942	5.17%		5.28%	
					2,129		1,498
Total current assets	25,382	66.60%	25,202	67.15%	28,213	69.97%	26,291
Property, plant and equipment, net	5,000	13.12%	5,081	13.54%		11.88%	
					4,791		4,904
Operating lease right-of-use assets, net	2,718	7.13%	2,923	7.79%		7.26%	
					2,926		3,113
Identifiable intangible assets, net	259	0.68%	274	0.73%		0.71%	
					286		269
Goodwill	240	0.63%	281	0.75%	284	0.70%	242
Deferred income taxes and other assets	4,511	11.84%	3,770	10.05%		9.48%	
					3,821		2,921
TOTAL ASSETS	38,110	100.00%	37,531	100.00%	40,321	100.00%	37,740
<b>Current liabilities:</b>							
Current portion of long-term debt	1,000	2.62%	0	0.00%		1.24%	
					500		0
Notes payable	6	0.02%	6	0.02%	10	0.02%	2
Accounts payable	2,851	7.48%	2,862	7.63%	3,358	8.33%	2,836
Current portion of operating lease liabilities	477	1.25%	425	1.13%		1.04%	
					420		467
Accrued liabilities	5,725	15.02%	5,723	15.25%	6,220	15.43%	6,063
Income taxes payable	534	1.40%	240	0.64%	222	0.55%	306
Total current liabilities	10,593	27.80%	9,256	24.66%	10,730	26.61%	9,674
Long-term debt	7,903	20.74%	8,927	23.79%	8,920	22.12%	9,413
Operating lease liabilities	2,566	6.73%	2,786	7.42%	2,777	6.89%	2,931
Deferred income taxes and other liabilities	2,618	6.87%	2,558	6.82%		6.48%	
					2,613		2,955
Commitments and contingencies (Note 16)							
Redeemable preferred stock	0	0.00%	0	0.00%	0	0.00%	0
<b>Shareholders' equity:</b>							
Capital in excess of stated value	13,409	35.18%	12,412	33.07%		28.48%	
					11,484		9,965
Accumulated other comprehensive income (loss)	53	0.14%	231	0.62%		0.79%	
					318		(380)
Retained earnings (deficit)	965	2.53%	1,358	3.62%	3,476	8.62%	3,179
Total shareholders' equity	14,430	37.86%	14,004	37.31%	15,281	37.90%	12,767
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	38,110	100.00%	37,531	100.00%		100.00%	
					40,321		37,740
Class A Convertible Common Stock							
<b>Shareholders' equity:</b>							
Common stock at stated value	0		0				
					0		0
Class B Common Stock							
<b>Shareholders' equity:</b>							
Common stock at stated value	\$ 3		\$ 3				
					\$ 3		\$ 3



# Nike Revenue Growth YOY

CONSOLIDATED STATEMENTS OF INCOME - USD (\$) shares in Millions, \$ in Millions	Nike 12- Month End												
	May 31, 2024	May 31, 2023	YOY \$ ▲	YOY % ▲	May 31, 2022	YOY \$ ▲	YOY % ▲	May 31, 2021	YOY \$ ▲	YOY % ▲	May 31, 2020	YOY \$ ▲	YOY % ▲
Income Statement [Abstract]													
Revenues	\$ 51,362	\$ 51,217	\$ 145	0.28%	\$ 46,710	\$ 4,507	8.80%	\$ 44,538	\$ 2,172	4.65%	\$ 37,403	\$ 7,135	16.02%
Cost of sales	28,475	28,925	\$ (450)	-1.58%	25,231	\$ 3,694	12.77%	24,576	\$ 655	2.60%	21,162	\$ 3,414	13.89%
Gross profit	22,887	22,292	\$ 595	2.60%	21,479	\$ 813	3.65%	19,962	\$ 1,517	7.06%	16,241	\$ 3,721	18.64%
Demand creation expense	4,285	4,060	\$ 225	5.25%	3,850	\$ 210	5.17%	3,114	\$ 736	19.12%	3,592	\$ (478)	-15.35%
Operating overhead expense	12,291	12,317	\$ (26)	-0.21%	10,954	\$ 1,363	11.07%	9,911	\$ 1,043	9.52%	9,534	\$ 377	3.80%
Total selling and administrative expense	16,576	16,377	\$ 199	1.20%	14,804	\$ 1,573	9.60%	13,025	\$ 1,779	12.02%	13,126	\$ (101)	-0.78%
Interest expense (income), net	(161)	(6)	\$ (155)	96.27%	205	\$ (211)	3516.67%	262	\$ (57)	-27.80%	89	\$ 173	66.03%
Other (income) expense, net	(228)	(280)	\$ 52	-22.81%	(181)	\$ (99)	35.36%	14	\$ (195)	107.73%	139	\$ (125)	-892.86%
Income before income taxes	6,700	6,201	\$ 499	7.45%	6,651	\$ (450)	-7.26%	6,661	\$ (10)	-0.15%	2,887	\$ 3,774	56.66%
Income tax expense	1,000	1,131	\$ (131)	-13.10%	605	\$ 526	46.51%	934	\$ (329)	-54.38%	348	\$ 586	62.74%
NET INCOME	\$ 5,700	\$ 5,070	\$ 630	11.05%	\$ 6,046	\$ (976)	-19.25%	\$ 5,727	\$ 319	5.28%	\$ 2,539	\$ 3,188	55.67%
Earnings per common share:													
Basic (in dollars per share)	\$ 3.76	\$ 3.27	\$ 0.49	13.03%	\$ 3.83	\$ (0.56)	-17.13%	\$ 3.64	\$ 0.19	4.96%	\$ 1.63	\$ 2.01	55.22%
Diluted (in dollars per share)	\$ 3.73	\$ 3.23	\$ 0.50	13.40%	\$ 3.75	\$ (0.52)	-16.10%	\$ 3.56	\$ 0.19	5.07%	\$ 1.60	\$ 1.96	55.06%
Weighted average common shares outstanding:							0.00%						
Basic (in shares)	1,517.6	1,551.6	\$ (34)	-2.24%	1,578.8	\$ (27)	-1.75%	1,573	\$ 6	0.37%	1,558.8	\$ 14	0.90%
Diluted (in shares)	1,529.7	1,569.8	\$ (40)	-2.62%	1,610.8	\$ (41)	-2.61%	1,609.4	\$ 1	0.09%	1,591.6	\$ 18	1.11%



# Nike EBITDA

- NIKE EBITDA for the quarter ending November 30, 2024 was \$1.569B, a 21.9% decline year-over-year.
- NIKE EBITDA for the twelve months ending November 30, 2024 was \$6.318B, a 7.25% decline year-over-year.
- NIKE 2024 annual EBITDA was \$7.155B, a 5.62% increase from 2023.
- NIKE 2023 annual EBITDA was \$6.774B, a 9.86% decline from 2022.
- NIKE 2022 annual EBITDA was \$7.515B, a 2.83% decline from 2021.



# Lululemon Common Size Income

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME - USD (\$) shares in Thousands	Jan. 28, 2024	CommonSize(%)	Jan. 29, 2023	CommonSize(%)	Jan. 30, 2022	CommonSize(%)	Jan. 31, 2021	CommonSize(%)	Feb. 02, 2020
<b>Income Statement [Abstract]</b>									
Net revenue	\$ 9,619,278,000	100.00%	\$ 8,110,518,000	100.00%	\$ 6,256,617,000	100.00%	\$ 4,401,879	100.00%	\$ 3,979,296
Cost of goods sold	4,009,873,000	41.69%	3,618,178,000	44.61%	2,648,052,000	42.32%	1,937,888	44.02%	1,755,910
Gross profit	5,609,405,000	58.31%	4,492,340,000	55.39%	3,608,565,000	57.68%	2,463,991	55.98%	2,223,386
Selling, general and administrative expenses	3,397,218,000	35.32%	2,757,447,000	34.00%	2,225,034,000	35.56%	1,609,003	36.55%	1,334,247
Impairment of goodwill and other assets, restructuring costs	74,501,000	0.77%	407,913,000	5.03%	0	0.00%	0	0.00%	0
Amortization of intangible assets	5,010,000	0.05%	8,752,000	0.11%	8,782,000	0.14%	5,160	0.12%	29
Acquisition-related expenses	0	0.00%	0	0.00%	41,394,000	0.66%	29,842	0.68%	0
Gain on disposal of assets	0	0.00%	(10,180,000)	-0.13%	0	0.00%	0	0.00%	0
Income from operations	2,132,676,000	22.17%	1,328,408,000	16.38%	1,333,355,000	21.31%	819,986	18.63%	889,110
Other income (expense), net	43,059,000	0.45%	4,163,000	0.05%	514,000	0.01%	(636)	-0.01%	8,283
Income before income tax expense	2,175,735,000	22.62%	1,332,571,000	16.43%	1,333,869,000	21.32%	819,350	18.61%	897,393
Income tax expense	625,545,000	6.50%	477,771,000	5.89%	358,547,000	5.73%	230,437	5.23%	251,797
Net income	1,550,190,000	16.12%	854,800,000	10.54%	975,322,000	15.59%	588,913	13.38%	645,596
<b>Other comprehensive income (loss), net of tax:</b>									
Foreign currency translation adjustment	(23,077,000)	-0.24%	(65,571,000)	-0.81%	(28,494,000)	-0.46%	72,731	1.65%	(9,995)
Net investment hedge gains (losses)	11,405,000	0.12%	8,904,000	0.11%	9,732,000	0.16%	(25,305)	-0.57%	2,222
Other comprehensive income (loss), net of tax	(11,672,000)	-0.12%	(56,667,000)	-0.70%	(18,762,000)	-0.30%	47,426	1.08%	(7,773)
Comprehensive income	\$ 1,538,518,000	15.99%	\$ 798,133,000	9.84%	\$ 956,560,000	15.29%	\$ 636,339	14.46%	\$ 637,823
Basic earnings per share (in dollars per share)	\$ 12.23	0.00%	\$ 6.70	0.00%	\$ 7.52	0.00%	\$ 4.52	0.00%	\$ 4.95
Diluted earnings per share (in dollars per share)	\$ 12.20	0.00%	\$ 6.68	0.00%	\$ 7.49	0.00%	\$ 4.50	0.00%	\$ 4.93
Basic weighted-average number of shares outstanding (in shares)	126,726	0.00%	127,666	0.00%	129,768	0.00%	130,289	2.96%	130,393
Diluted weighted-average number of shares outstanding (in shares)	127,060	0.00%	128,017	0.00%	130,295	0.00%	130,871	2.97%	130,955



# Lululemon Common Size Balance

CONSOLIDATED BALANCE SHEETS - USD (\$) \$ in Thousands	Jan. 28, 2024	Common Size %	Jan. 29, 2023	Common Size %	Jan. 30, 2022	Common Size %	Jan. 31, 2021
<b>Current assets</b>							
Cash and cash equivalents	\$ 2,243,971	31.64%	\$ 1,154,867	20.60%	\$ 1,259,871	25.49%	\$ 1,150,517
Accounts receivable, net	124,769	1.76%	132,906	2.37%	77,001	1.56%	62,399
Inventories	1,323,602	18.66%	1,447,367	25.81%	966,481	19.55%	647,230
Prepaid and receivable income taxes	183,733	2.59%	185,641	3.31%	118,928	2.41%	139,126
Prepaid expenses and other current assets	184,502	2.60%	238,672	4.26%	192,572	3.90%	125,107
Total current assets	4,060,577	57.26%	3,159,453	56.35%	2,614,853	52.91%	2,124,379
Property and equipment, net	1,545,811	21.80%	1,269,614	22.64%	927,710	18.77%	745,687
Right-of-use lease assets	1,265,610	17.85%	969,419	17.29%	803,543	16.26%	734,835
Goodwill	24,083	0.34%	24,144	0.43%	386,880	7.83%	386,877
Intangible assets, net	0	0.00%	21,961	0.39%	71,299	1.44%	80,080
Deferred income tax assets	9,176	0.13%	6,402	0.11%	6,091	0.12%	6,731
Other non-current assets	186,684	2.63%	156,045	2.78%	132,102	2.67%	106,626
Total assets	7,091,941	100.00%	5,607,038	100.00%	4,942,478	100.00%	4,185,215
<b>Current liabilities</b>							
Accounts payable	348,441	4.91%	172,732	3.08%	289,728	5.86%	172,246
Accrued liabilities and other	348,555	4.91%	399,223	7.12%	330,800	6.69%	226,867
Accrued compensation and related expenses	326,110	4.60%	248,167	4.43%	204,921	4.15%	130,171
Current lease liabilities	249,270	3.51%	207,972	3.71%	188,996	3.82%	166,091
Current income taxes payable	12,098	0.17%	174,221	3.11%	133,852	2.71%	8,357
Unredeemed gift card liability	306,479	4.32%	251,478	4.49%	208,195	4.21%	155,848
Other current liabilities	40,308	0.57%	38,405	0.68%	48,842	0.99%	23,598
Total current liabilities	1,631,261	23.00%	1,492,198	26.61%	1,405,334	28.43%	883,178
Non-current lease liabilities	1,154,012	16.27%	862,362	15.38%	692,056	14.00%	632,590
Non-current income taxes payable	15,864	0.22%	28,555	0.51%	38,074	0.77%	43,150
Deferred income tax liabilities	29,522	0.42%	55,084	0.98%	53,352	1.08%	58,755
Other non-current liabilities	29,201	0.41%	20,040	0.36%	13,616	0.28%	8,976
Total liabilities	2,859,860	40.33%	2,458,239	43.84%	2,202,432	44.56%	1,626,649
Commitments and contingencies							
<b>Stockholders' equity</b>						0.00%	
Undesignated preferred stock, \$0.01 par value: 5,000 shares authorized; none issued and outstanding	0	0.00%	0	0.00%	0	0.00%	0
Exchangeable stock, no par value: 60,000 shares authorized; 5,116 and 5,116 issued and outstanding	0	0.00%	0	0.00%	0	0.00%	0
Special voting stock, \$0.000005 par value: 60,000 shares authorized; 5,116 and 5,116 issued and outstanding	0	0.00%	0	0.00%	0	0.00%	0
Common stock, \$0.005 par value: 400,000 shares authorized; 121,106 and 122,205 issued and outstanding	606	0.01%	611	0.01%	616	0.01%	626
Additional paid-in capital	575,369	8.11%	474,645	8.47%	422,507	8.55%	388,667
Retained earnings	3,920,362	55.28%	2,926,127	52.19%	2,512,840	50.84%	2,346,428
Accumulated other comprehensive loss	(264,256)	-3.73%	(252,584)	-4.50%	(195,917)	-3.96%	(177,155)
Total stockholders' equity	4,232,081	59.67%	3,148,799	56.16%	2,740,046	55.44%	2,558,566
Total liabilities and stockholders' equity	\$ 7,091,941	100.00%	\$ 5,607,038	100.00%	\$ 4,942,478	100.00%	\$ 4,185,215



# Financial Performance & Market Valuation

## ➔ Nike Revenue Breakdown (2024):

Footwear: 65.08%

Apparel: 26.78%

Equipment: 4.04%

## ➔ Nike vs. Lululemon Market Valuation:

**Market Cap:** Nike (\$142.9B) vs. Lululemon (\$56.2B)

**EPS:** Nike (\$3.73) vs. Lululemon (\$12.20)

**P/E Ratio:** Nike (25.5) vs. Lululemon (38.1) – **Nike offers better value**

**Dividend Yield:** Nike (1.2%) – **Lululemon does not pay dividends**

- **Liquidity & Leverage Ratios:** Nike's strong financial position ensures stability.



# Sources

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